FOR MEETING OF: March 15, 2022

AGENDA ITEM NO.: 5.1

TO: PLANNING COMMISSION

FROM: LISA ANDERSON-OGILVIE, AICP

COMMUNITY DEVELOPMENT DEPUTY DIRECTOR

SUBJECT: SUPPLEMENTAL REPORT FOR THE OUR SALEM PROJECT

ISSUE:

Should the Planning Commission recommend that the City Council update the Salem Area Comprehensive Plan, adopt the Housing Needs Analysis, and amend the Comprehensive Plan Map, Neighborhood Plan maps, zoning map, and Salem Revised Code?

RECOMMENDATION:

Adopt the facts and findings of this staff report and recommend that the City Council accept first reading of ordinance bills for the purpose of updating the Salem Area Comprehensive Plan, adopting the Housing Needs Analysis, and amending the Comprehensive Plan Map, Neighborhood Plan maps, zoning map, and Salem Revised Code.

SUMMARY:

This staff report summarizes and addresses comments that the public has provided about the proposed amendments related to the Our Salem project by noon on Thursday, March 10.

Testimony Received

The comments have been summarized below and are included in full as **Attachments** 1, 2, and 3.

1. Several comments were received questioning why properties were proposed to be redesignated from Developing Residential (DR) to Single Family Residential (SF) on the Comprehensive Plan Map.

Staff Response: The change is proposed because the impacted properties are already developed, so SF designation is more appropriate. The SF designation generally applies to lower-density residential areas. The DR designation, on the other hand, is intended for largely vacant land that has the potential to be developed at urban densities. The proposed Comprehensive Plan Map change does not impact

how the properties can be used or developed now or in the future, and the existing zoning of the properties is – and will continue to be – RS.

2. A comment was received opposing the proposed redesignation of land from DR to Multiple Family Residential (MF) on the Comprehensive Plan Map on the north side of Orchard Heights NW east of 27th Place NW. The comment also expressed concern about property values being decreased by the proposed change.

Staff Response: Salem's Housing Needs Analysis (HNA) determined that there is a projected 207-acre deficit for land designated for multifamily housing (2,897 dwelling units) in Salem's portion of the UGB. The proposed change on Orchard Heights NW would help address this projected deficit by increasing the amount of land available for multifamily housing in the future. The proposed change would also allow multifamily housing to be located near a City park – Grice Hill Park – as well as West Salem High School. The area is also across the street from properties that are proposed to be redesignated to Mixed Use (MU). The MU designation, as implemented by mixed-use zones, would allow shops, services, jobs, and other destinations to be developed in the future; multifamily housing north of Orchard Heights NW would be within walking distance of those potential destinations.

In terms of property values, changes to zoning alone will not cause changes in assessed value or taxes, according to the Marion County Assessor's Office. A property would have to be used for a new use allowed in the new zone to trigger reassessment (ORS 308.146).

3. Several comments were received opposing the proposed rezoning/redesignation of land to Mixed Use at Liberty Road S and Mildred Lane SE. The opposition was specifically to commercial uses or potential plans for mixed use, with concerns including traffic/safety, crime, noise/light pollution, and home value impacts as well as a preference to drive to shops.

Staff Response: The proposed zoning of the properties at Liberty Road S and Mildred Lane SE is MU-II. That zone allows but does not require commercial uses. Residential uses are also allowed, ether as standalone uses or as part of mixed-use developments. In addition, the City is not building any project or development as part of the proposal, and the proposed rezoning does not require development to occur. The properties can remain as they are today.

As part of the Our Salem project, the City worked with the Mid-Willamette Valley Council of Governments (MWVCOG) to analyze the transportation impacts of the proposed Comprehensive Plan Map changes. The proposed changes did not result in a significant impact in the area near Liberty Road S and Mildred Lane SE. See Goal 12 findings in the March 15 staff report <u>Attachment 16</u> for additional detail on the transportation analysis and impacts.

In addition, a traffic signal is planned within the next few years as a result of a condition of development at 5721 Liberty Road S. That is expected to improve safety of vehicles entering and existing Mildred Lane SE and the safety of pedestrians crossing Liberty Road S at Mildred Lane SE. A future traffic signal is also planned for the intersection of Liberty Road S and Davis Road S.

SRC Chapter 51 regulates noise levels, and any development on the properties in this area would be subject to these regulations. Specifically, SRC 51.015 provides maximum sound levels based on the source and receiver of the sound. It is unlawful to exceed the maximum sound levels without an event sound permit. The Community Development Department enforces these noise regulations.

SRC Chapter 800 regulates exterior lighting, and any development on the properties in the area would be subject to these regulations. SRC 800.060 states the following: "Exterior lighting shall not shine or reflect onto adjacent properties, or cast glare onto the public right-of-away." It also requires that exterior light fixtures be "located and designed so that the light source, when viewed at a height of five feet above the ground at a distance of five feet away outside the boundary of the lot," either be completed shielded from direct view or no greater than five foot-candles in illumination. The Community Development Department enforces these light regulations.

Crimes or illegal activities are a police matter and should be addressed by the Salem Police Department, which has law enforcement jurisdiction in Salem. No evidence has been provided to support the idea that a future commercial or mixed-use establishment in the area would result in increased crime that would exceed what would otherwise occur from any other development of the properties.

As noted above, changes to zoning alone will not cause changes in assessed value or taxes, according to the Marion County Assessor's Office. A property would have to be used for a new use allowed in the new zone to trigger reassessment (ORS 308.146).

- 4. A comment was received stating no objection to the removal of the Walker School Residential Overlay Zone on property that is proposed to remain zoned RS.
- 5. A comment was received questioning if there would be extra expenses due to the proposed changes on a property on Gabriela Court NE.

Staff Response: The proposed map change at 1500 Gabriela Ct NE does not include any additional fees or charges to the area from the City. In addition, the City is not building any project or development as part of the proposal. Instead, the proposal is to align the zoning of the property to the existing Comprehensive Plan Map designation. The existing Comprehensive Plan Map designation of that property

is Multiple Family Residential, and the zoning is proposed to change to Multiple Family Residential-I.

A comment was received asking if the buyer of a 13-acre site near the intersection
of Holder Lane SE and Lone Oak Road SE could be required to leave a border of
trees to create privacy for adjacent single-family homes and to leave woods for
animals.

Staff Response: SRC Chapter 806 outlines the City's tree preservation requirements, which were recently updated by City Council. The code requires City approval before removing significant trees, trees on lots that are 20,000 square feet or greater, trees in riparian corridors, and trees that are part of tree conservation plans. The properties are proposed to be rezoned to Mixed Use-II (MU-II) as part of the Our Salem project. In the MU-II zone, the setback adjacent to residential zones such as the Single Family Residential (RS) zone is based on the height of buildings. In other words, the taller the buildings, the further away they need to be from the adjacent residential zone. That setback area must be landscaped – including with trees – and must include a 6-foot tall wall or fence.

- 7. A comment was received in support of the Our Salem project and urged the City to move it forward.
- 8. A comment was received in support of the updated Comprehensive Plan and specifically in support of the rezoning properties along Lancaster Drive NE, which creates consistency in zoning.
- 9. A comment was received, stating that the Planning Commission and City do not care about people's quality of life, green spaces, or preserving wildlife habitat.

Staff Response: The proposed update to the Comprehensive Plan includes numerous goals and policies related to improving quality of life, preserving and increasing green spaces, and preserving wildlife habitat. The proposed changes to the Comprehensive Plan Map and zoning map seek to implement many of the goals and policies, including those around open space and wildlife habitat. The proposed map changes, for example, redesignate open space properties across Salem to Parks, Open Space, and Outdoor Recreation (POS) and rezone them to Public Amusement (PA) to help ensure their preservation as open space and habitat. The POS designation is intended in part for open spaces and natural areas.

10. A comment was received opposing the construction of an apartment complex next to Eola Ridge Park, citing safety due to excessive traffic on Eola Drive NW, additional crime, an emphasis on additional tax dollars, and the potential for a mudslide into homes on Mule Deer and Eola Drive, resulting in loss of life and property.

Staff Response: The property to the east of Eola Ridge Park is proposed to be rezoned to Multiple Family-I (RM-I). The proposed rezoning does <u>not</u> require the property to be developed; it can remain as it is today. In addition, if the property is developed, it is not required to be developed into an apartment complex. The RM-I zone allows a broad range of housing types, including single-family homes, townhouses, middle housing, and multifamily housing, and has a proposed minimum density of 11 units per acre.

The initial proposal was to rezone the property to Multiple Family-II (RM-II), which would have allowed for higher-density housing in the future. The proposal was changed to the lower-density RM-I zone last year in response to concerns from West Salem residents, including neighbors.

The proposed zone change helps the City meets its projected housing needs, as is required by the State. (Additional tax revenue was not a consideration in the proposal to rezone land for multifamily housing.) The HNA determined that there is a projected 207-acre deficit for land designated for multifamily housing (2,897 dwelling units) in Salem's portion of the UGB. The proposed change on Eola Drive NW would help address this projected deficit by increasing the amount of land available for multifamily housing in the future.

As mentioned earlier, the City worked with the MWCOG to analyze the transportation impacts of the Comprehensive Plan Map changes proposed as part of the Our Salem project (which are implemented by the proposed zone changes). The proposed changes did not result in a significant impact on Eola Drive NW. See Goal 12 findings in the March 15 staff report Attachment 16 for additional detail on the transportation analysis and impacts.

If the property were developed in the future, it would be subject to SRC Chapter 810, which provides the criteria for determining the total landslide hazard risk and required level of site investigation for the site. An applicant may be required to submit a geological assessment, a geotechnical report, or both, if landslide hazards designated as moderate or high total landslide risk.

Crimes or illegal activities are a police matter and should be addressed by the Salem Police Department, which has law enforcement jurisdiction in Salem. No evidence has been provided to support the speculation that an apartment complex, if developed, would result in increased crime that would exceed what would otherwise occur from any other development of the properties.

11. A comment was received, concerned about notices not being sent to homeowners next to Eola Ridge Park.

Staff Response: SRC 300.1110(e)(1)(A) requires that the City mail notice of the first evidentiary public hearing in a legislative land use proceeding not more than 40

days, but not less than 20 days prior to the first hearing. Legislative zone changes and amendments to the Comprehensive Plan, Comprehensive Plan Map, Neighborhood Plan Maps, and UDC require notice to the Director of the Department of Land Conservation and Development no later than 35 days before the first public hearing pursuant to SRC 300.1110(d). Because the proposed code amendment and Comprehensive Plan Map and zoning map changes restrict some land uses, ORS 227.186 requires written individual notice to the owner of each affected property. This notice is commonly referred to as a "Ballot Measure 56 notice." All required notices have been provided in accordance with the above requirements.

In addition to providing notice as required, the City has conducted extensive public engagement to not only provide the public with information about the Our Salem project but to solicit input that shaped the proposed amendments that are the subject of the current public hearing process. A summary of the City's outreach through early March 2022 can be found in <u>Attachment 1</u> of the March 15 staff report.

12. A comment was received, requesting that the existing zoning of properties off of Wallace Road NW – RM-II – be retained due to future development plans for lowincome housing funded in part by the City.

Staff Response: The properties referenced above are proposed to be rezoned to Retail Commercial (CR). The CR zone would allow commercial services to be established in and to serve an area in West Salem that is predominantly developed with multifamily housing. The CR zone would allow multifamily housing through a conditional use permit. Retaining the existing RM-II zone would allow multifamily housing outright, which would help meet Salem's projected housing needs, but commercial uses would largely be prohibited. Staff has no objection to this change.

- 13. A comment was received from the Oregon Department of Land Conservation and Development (DLCD) in support of the Our Salem proposal, including the proposed Comprehensive Plan update.
- 14. A comment was received, stating that the current Salem Area Comprehensive Plan Map fails to comply with a variety of state laws and rules and therefore the proposed changes to the map should be suspended.

Staff Response: The issues raised in the comment are not related to the Our Salem project nor are they related to the proposed amendments to the Comprehensive Plan Map.

- 15. A comment was received in support of the rezoning property on Macleay Road SE to Multiple Family Residential.
- 16. A comment was received in opposition of rezoning property owned by Cascade

Warehouse to Mixed Use-Riverfront (MU-R).

Staff Response: The property owned by Cascade Warehouse is not proposed to be rezoned to MU-R. It is currently zoned General Industrial (IG), and this is not proposed to be changed as part of the Our Salem project.

Overall, the proposed MU-R zone and its proposed location along the Willamette River north of downtown Salem is the result of extensive community input. The proposed zone was initially created through a project led by the Urban Development Department that sought, in part, to streamline the many zones and overlay zones in the north downtown area. The proposed zone also implements the community's vision for a mixed-use area along the river there.

The proposed MU-R zone allows existing uses to remain and to be altered, enlarged, and rebuilt. The proposed zone also encourages the adaptive reuse of existing industrial buildings by allowing new wholesaling and general manufacturing uses in such buildings as follows: up to 50 percent or 10,000 square feet – which is more – per development site, provided associated retail sales is also on site.

The City adopted the Salem Economic Opportunities Analysis (EOA) in 2015, and that determined that the Salem area has a projected surplus of industrial land. The City expects to conduct a new EOA after the Our Salem project is complete.

Eunice Kim Long Range Planning Manager

Attachments:

- 1. Testimony for Week ending February 25
- 2. Testimony for Week ending March 4
- 3. Testimony for Week ending March 10